



Foreign Service Circular

No. 81

May 7, 1954

SUBJECT: Section 901 of the Merchant Marine Act of 1936

1. Purpose

This circular prescribes the policies and procedures to be applied in complying with the provisions of Section 901 of the Merchant Marine Act of 1936 when travel or transportation by ship is involved.

2. Provision of Law

Section 901 of the Merchant Marine Act of 1936 (49 Stat. 2015) provides:

"Any officer or employee of the United States traveling on official business overseas or to or from any of the possessions of the United States shall travel and transport his personal effects on ships registered under the laws of the United States where such ships are available unless the necessity of his mission requires the use of a ship under a foreign flag; Provided that the Comptroller General of the United States shall not credit any allowance for travel or shipping expenses incurred on a foreign ship in the absence of satisfactory proof of the necessity therefor."

3. General Policy

As pointed out in 1 FSM III 131.41, the Department is required to comply with the provisions of Section 901 of the Merchant Marine Act of 1936, and it is the policy of the Department that the American Merchant Marine be supported to the greatest extent practicable. However, it is not the intent of the Congress that compliance with the Act cause excessive waste of time and money, and consistent with the intent of the Congress, the following standards are established for travel and shipment of effects on foreign flag vessels.

4. Standards for Use of Foreign Flag Vessels

4.1 Definitions

When used in these regulations, the term

- a. "Direct" means without transshipment en route.
- b. "Nearest" means "as the crow flies", measurable on the map without regard to the mode of travel.
- c. "American ship" means United States flag vessel.

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- d. "Foreign ship" means foreign flag vessel.
- e. "Date of readiness" means the date, established by certificate of the chief of mission or administrative officer, on which the traveler is actually ready for departure (see Exhibit I).

4.2 Travel of Personnel

- a. When direct American ships and direct foreign ships operate between the port nearest to the place where official travel originates and the port nearest to the authorized destination:
 - (1) An employee (and dependents accompanying him) shall use an American ship if the use of such ship does not delay departure more than five days after the employee's date of readiness for travel.
 - (2) Dependents of an employee who do not accompany him shall travel by American ship regardless of waiting time, except that where American ships do not operate more frequently than once in thirty days (such as the American President Lines Round-the-World service), dependents need not delay departure more than five days in order to use an American ship.
- b. When direct American ships do not operate between the port nearest to the place where official travel originates and the port nearest to the authorized destination, and direct foreign ships do so operate, an employee and his dependents shall use the direct foreign ship.
- c. When there are neither direct American ships nor direct foreign ships operating between the port nearest to the place where official travel originates and the port nearest to the authorized destination, the waiting time prescribed in 4.2a(1) and (2) shall apply at the port nearest to the place where official travel originates and the port of transshipment.
- d. It is not necessary to postpone the effective date of an essential meeting in order to use an American ship.
- e. Subject to the foregoing, employees and dependents are not expected to travel by freight vessel unless no other service is available. However, when freight vessels are used, the rules herein pertaining to travel on passenger vessels shall apply.

4.3 Shipment of Effects

- a. When direct American ships and direct foreign ships operate between the port nearest to the place where the official travel originates and the port nearest to the authorized destination, shipment of effects shall be made on an American ship, regardless of waiting time.

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- b. When direct American ships do not operate between the port nearest to the place where official travel originates and the port nearest to the authorized destination, and direct foreign ships do so operate, shipment of effects shall be made on a foreign ship.
- c. Where there are neither direct American ships nor direct foreign ships operating between the port nearest to the place where official travel originates and the port nearest to the authorized destination, and it can be determined that American ships are available for any segments of the journey, the shipment of effects shall be by such routing and shall include American ships where operating, regardless of waiting time. It is not expected that effects be transshipped more than once for the sole purpose of using American ships.
- d. While it is recognized that posts cannot be expected to analyze schedules and tariffs on a world-wide basis and conclude with certainty the availability of American ships for segments of journeys, reasonable effort shall be exerted to make this determination.

4.4 Documentation Required When Foreign Ship is Used

- a. The Certificate of Readiness shall be prepared in an original and two copies. The original shall be mailed to the Department under cover of an operations memorandum, subject: FINANCE. One copy shall be delivered to the traveler and the other copy retained by the issuing post.
- b. Each travel reimbursement voucher shall make reference to the Certificate of Readiness.
- c. When no space is available on an American flag vessel, the certificate from the carrier to be attached to the certificate of Readiness may be a simple statement prepared in an original and two copies such as the following:

I hereby certify that no space is available on a
vessel of this line from _____ to _____.
(date) (date)

(Name of American Flag Carrier)

(Signature of Carrier's Representative)

(Date)

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4.5 Special Cases

- a. When circumstances arise which do not fall within the categories enumerated herein, and which indicate a justifiable need for use of a foreign flag vessel, the case shall be submitted to the Department for the approval of the General Accounting Office before arrangements are made for use of a foreign flag vessel. The request should be submitted by operations memorandum, subject: TRAVEL, and shall contain a justification for the use of a foreign flag vessel.
- b. Because of a Comptroller General's decision, employees assigned to posts in the Netherlands (including employees on temporary duty in the country, but not including transients) traveling to or from the United States, are required to use American ships, notwithstanding the provisions of section 4.2b of this circular.
- c. Failure to comply with the provisions of this circular, or circuitous routing for the convenience of the traveler, will subject the employee authorized to travel to personal financial responsibility.

DISTRIBUTION: All Foreign Service posts.

State--PB, Wash., D. C.

EXHIBIT I

(Date)

CERTIFICATE OF READINESS

I hereby certify that _____
(name of traveler)

was ready to commence travel from _____
(authorized point of origin)

to _____ on _____ since:
(authorized destination) (date)

a. He completed official duty at _____
(post)

on _____ or
(date)

b. His authorized leave expired on _____
(date)

Transportation was arranged for _____
(name of traveler)

via the _____ which was scheduled
(name of foreign flag vessel)

to depart from _____ on _____ because:
(port of departure) (date)

☐ No space was available on an American flag vessel
within time limit established by 4.2a of Foreign
Service Circular No. 81. (See attached certificate(s)
from _____.)
(name of American flag carrier(s))

☐ No American flag steamer service operated from the
port of _____
(name of nearest port)

(signature of Chief of Mission or
Administrative Officer)